



Commonwealth of Kentucky
Office of the Governor

FOR IMMEDIATE RELEASE

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Gov. Beshear announces new Federal tax withholding tables
Will result in more take-home pay for many Kentuckians

FRANKFORT, Ky. (April 1, 2009) — Today, Gov. Steve Beshear notified state employees and Kentuckians about the new Internal Revenue Service (IRS) tax withholding tables. These tables will result in more take-home pay for many Commonwealth employees and Kentucky workers.

The tables were established in the new Making Work Pay credit, which is one of the key tax provisions included in the American Recovery and Reinvestment Act of 2009. The tax credit is available to employees for tax years 2009 and 2010.

“The Personnel Cabinet has been working to prepare for these changes,” said Gov. Beshear. “This spring, state employees who qualify may receive an automatic increase in take-home pay through their payroll checks.”

According to the IRS, the credit is 6.2 percent of a taxpayer’s earned income with a maximum credit of \$800 for a married couple filing a joint return and \$400 for other taxpayers, but is phased out for higher income taxpayers. The sum of the credit must be reported on the employee's 2009 income tax return filed in 2010. Taxpayers who do not have taxes withheld by an employer during the year can also claim the credit on their 2009 tax return.

To view the new withholding tables and to learn more about how the Making Work Pay credit will impact your paycheck, visit

<http://www.irs.gov/newsroom/article/0,,id=204447,00.html>.

If you are not employed by state government you should check with your company's HR Administrator or Payroll Office to see if the new tax changes will impact your take-home pay.

If you are a state employee and have questions about the Making Work Pay credit please contact your agency Payroll Officer. For a contact list of agency Payroll Officers, visit <http://personnel.ky.gov/NR/rdonlyres/659338CF-6BCF-4F4A-9D6A-861C247D0684/0/PayGroupList.pdf>.

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